"Specialists in the Repair, Modernization and Maintenance of Seagoing Vessels" Foot of Sampson St., P.O. Box 13308, San Diego, CA 92113-0308 (619) 238-1000 / Telex: 910-335-1167 (SWM SDG) Corporate Offices: San Diego

October 24, 1985

Honorable Leo McCarthy Lieutenant Governor, State of California State Capitol Building Sacramento, California 95814

Dear Sir:

I enjoyed our breakfast discussions last week. Your involvement in the State's Hazardous Waste programs is a challenging task for you, and can be especially helpful to the Ship Repair Industry.

You asked me to provide some information on how you could help us become more effective and competitive and still live within the regulatory intents of the various agencies that you interface.

As I may have mentioned, we are already deeply involved with the State's Toxic Waste Division due to the U.S. Navy refusing to accept their responsibilities as hazardous waste generators for anything coming from the ship while it's in a private yard. Oily bilge water, asbestos, contaminated sandblast material are all directly traceable to the ship owner. An owner authorized at some point the oil, paint and insulation materials used. By accepting ownership, the responsibility is assumed.

Private ship owners have freely accepted this responsibility; the Navy has also accepted it—if the ship generates HAZWASTE in a Government yard! We are geographically one mile from the Naval Base, but the Federal people insist the law changes from there to here.

Your Toxic Waste people have recently contacted the San Diego Department of Health and asked them to take local action, however action in all our other Ports, i.e., Los Angeles and San Pedro, is also required. The Navy says California has no jurisdiction. We believe otherwise.

Another area of concern. We need a RCRA authorized dump site in Southern California, or the cost of transportation of materials will cause a major loss of competition. Corona is closed. The next closest one for either San Diego or points north is Casmailia, a 5-6 hour minimum one-way drive!

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We understand that California is also moving to enforce expended sandblast material requirements, but they are citing blasting operators rather than ship owners who permit hazardous materials to be used on their ships' hulls. Shipyards install what owners order! Therefore, the owner is the generator, by our analysis. However, even if the owner does accept his responsibility, he is unable to obtain an EPA disposal number in a timely manner. Ships call for repairs on an unplanned basis, are in for only several days—yet we are told by EPA, San Francisco that no emergency numbers can be issued, the ship and project must wait its turn. Therefore the dry dock cannot be emptied, and the ship and ourselves in crease costs by thousands of dollars per wasted lay—day!

Too many enforcement agencies give rise to too many confused interpretations of complex laws. We have no quarrel with the necessity for HAZ-WASTE enforcement, but picture one section of Interstate 5 being policed simultaneously by the Highway Patrol, State Police, Sheriff, San Diego P.D., and the Federal Marshall's Office as assisted by the FBI. We're already there in HAZWASTE enforcement.

Let me reiterate one major point. If we can get the Navy to accept their basic responsibility, most other items can be solved!

Many thanks again for your time. I look forward to our next meeting.

Very truly yours,

SOUTHWEST MARINE, INC.

Arthur Engel President

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